



January 16, 2014

D2014-01

TO: All DAA CEO's & Contract Program Staff

SUBJECT: Annual Contract Delegations/
Contract Approval Requirements

The purpose of this circular letter is to remind District Agricultural Associations (DAAs) of the following contracting requirements:

- Contract review and approval requirements
- Annual DAA Delegations of Authority (Delegations) due for 2014

Contract Review and Approval Requirements

- **F&E Approval Required**

All contracts over \$75,000.00 must be submitted to F&E for review and approval. If insurance is required for the contract, please include a copy of the review/approval memo from California Fair Services Authority (CFSA) with your contract package when submitting the contract to F&E for approval.

- **Dollar Amount for Approval Requirement**

To determine the dollar amount to be used for contract approval requirements, use the total dollar amount including all years of a multi-year contract, as well as all option year amounts if contract has options to renew.

For a contract that has no dollar amount (such as an in-kind services contract), the value of the services must be converted to a dollar amount for the purposes of determining approvals required.

If a contract required F&E approval, then all subsequent amendments must be submitted to F&E for approval, regardless of their dollar amount.

When a contract that was originally under the dollar amount requiring approval is being amended, use the total dollar amount of the original contract and the amendment(s) to determine approvals required. If approvals are now required, the original contract package and amendment package(s) must be submitted for approval.

The DAA Contract Manual contains detailed information regarding bidding, contracting and contract packages. Go to the Fairs and Expositions (F&E) Portal at www.cdfa.ca.gov/egov/fe/manual. The DAA can log in under the generic "Administrative" option and use the password "contract". Bid packages, contract forms, and contract worksheets are also located on the Portal.



Annual DAA Delegations of Authority

Annual DAA Delegations must be approved by the DAA Boards of Directors (Boards) for the following year. Each Board must determine what level of contract approval authority to delegate to their DAA CEO and/or other staff. This Delegation is based upon dollar amount and type of contracts.

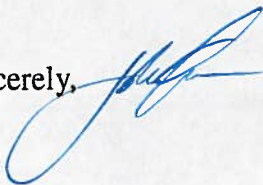
For all contracts that do not fall under the Delegation, individual Board approval and a formal Board resolution is required prior to entering into the contract. Note also that all contracts that exceed one year must have individual Board approval and a formal Board resolution.

Detailed information regarding Delegations and their format, as well as a sample Delegation, is located in Section 1.25 of the DAA Contract Manual. Please see previous page for information regarding accessing the Manual.

Please ensure that your DAA's Delegation for 2014 is heard and approved by the Board, and submitted to F&E, Attn: Sue Fick, as soon as possible.

If you have any questions regarding this circular letter, please contact Sue Fick at 916-900-5363, or email at sue.fick@cdfa.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read 'John Quiroz', is written over the word 'Sincerely,'.

John Quiroz,
Accounting Administrator